

SECTION 8

REIMBURSEMENT

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REIMBURSEMENT POLICIES

Age Requirement for Participation

The age requirement for participation in the National School Lunch Program, School Breakfast Program and the Special Milk Program is any person 21 chronological years of age or younger who is enrolled in an institution or school. This applies to both regular and special education students.

Parents, of any age, enrolled with their children in the family literacy program *Even Start*, are eligible to participate in the NSLP and SBP if they are enrolled in a General Equivalency Program (GED) or a regular school completion program. In these instances, meals may be claimed for parents, if the classes are held during the day.

Preschool and Day Care Programs

Preschool and day care programs located on a school campus and operated by the school are eligible to participate in the National School Lunch and School Breakfast Programs. Preschool and day care programs on school campuses that are not operated by the school may not participate in the NSLP. However they may enter into a catering contract with the school to supply meals. Head Start programs only need to be located on school campuses to be eligible. The school does not have to be operating the Head Start Program. Children attending the preschool program must be provided an income application or can be included on sibling applications. Meals served to these children must be claimed in the appropriate category (free, reduced-price or paid) even if there is no charge to the children. When the day care program is open but the school is closed, the meals are not reimbursable.

Snacks served during preschool and day care program hours are NOT reimbursable under NSLP; the following options are available:

- Participate in the Child and Adult Care Food Program (CACFP) rather than the NSLP. A sponsor may not participate in both the CACFP and NSLP unless the sponsor has an outside school hours care program that participates in CACFP.
- The lunch meal may be split so 1 or 2 items are omitted from the meal and served later as an afternoon snack. There is no option to split breakfast items.
- Serve a snack without reimbursement.

If preschool and day care programs choose to participate in the CACFP rather than the NSLP, meals may be provided by the school but reimbursement would be claimed by the organization sponsoring the CACFP.

After School Care Snack Program

Sponsors that administer after school care programs that offer enrichment or educational program are eligible to serve snacks for reimbursement. Sites located in areas served by a school in which at least 50 percent of the enrolled children are eligible for free and reduced-price meals are eligible to receive reimbursement at the free rate for snacks served to all children, regardless of each individual

child's eligibility for free or reduced-price lunches and breakfasts. Refer to section 2 for more information on the after school care snack program.

Sites which are not in areas served by a school in which at least 50 percent of the enrolled children are eligible for free or reduced-price meals must count snacks and claim reimbursement by type (free, reduced-price, and paid), and must have documentation of students eligibility. Under no circumstances may a school charge children for snacks claimed at the free reimbursement rate. Charges for reduced-price snacks may not exceed 15 cents, as stipulated in program regulations at 7 CFR section 210.9 (c) (4).

Snacks may only be served to children for reimbursement when administering the NSLP and after their school day has ended. Under no circumstances may snacks be reimbursed in programs operated before or during the child's school day. Schools are not eligible to receive reimbursement under this provision for snacks served on weekends or holidays, including vacation periods.

Nonschool Days

The National School Lunch Act provides basic, comprehensive legislation for aid, in general, to the States in the operation of school lunch programs as permanent and integral parts of their school systems. Food and Consumer Service does not consider weekends, holidays, and vacations to be an integral part of the school system. Consequently, Food and Consumer Service does not authorize reimbursement for meals served in any of these situations, except as stated below.

Weekends - Boarding Schools: Boarding schools may be reimbursed for student weekend breakfast and lunch meals if the following criteria are met:

1. Three meals a day are served on Saturday and Sunday as documented by menus, and;
2. Breakfast and lunch meet the minimum federal meal pattern requirements. This criteria must be documented with food production records for these two meals, and;
3. There is an extension of education related activities on the weekend that is an integral part of the curriculum or an extension of the local educational program. The school must submit a written request to the CNP office for a decision on the validity of the activity. The number of student suppers should be recorded for reporting on the Annual Financial Report.

Weekends - Traditional Schools: Traditional Schools which operate Monday through Friday receive federal reimbursement for meals or milk served during the periods set aside for meal service during the regular school week. Meals served by the school sponsor on the weekend may be reimbursable if the activity is an **integral part** of the curriculum or an actual extension of the local educational program, and not simply a school-affiliated extracurricular event or activity, such as football, band and choral activity.

Off-Track Students: Reimbursement is not available during off-track vacations for children in year-round schools. The Summer Food Service Program was created to provide meals to needy children during extended periods when they are not in school. For more information on the Summer Food Service Program contact your School Lunch Specialist.

Visiting Students

When a lunch program serves children who are visiting from another school during the lunch hour because of school activities, the host school may claim PAID reimbursement for the lunches served to all children even though the visiting school may not have a lunch program. Free or reduced reimbursement may be claimed when the visiting school provides documentation of the number eligible in those categories. Those children eligible must be included in the eligibility section of the monthly reimbursement claim.

GED Programs

Persons enrolled in a General Equivalency Program (GED) program or regular high school completion programs which operate during regular school hours may participate in the meal service. Evening meals served to students in adult education courses or in delayed diploma programs are not reimbursable.

Federal regulations define “child” as “a student of high school grade or under as determined by the State educational agency.” The State of Arizona has defined children as twenty-one years or younger. The CNP office adheres to the state definition and allows reimbursement for only those program meals served to students who meet this definition. This applies to both regular and special education students.

Second Meals

Sponsors must ensure that lunches and breakfasts are planned and produced on the basis of participation trends with the objective of providing one reimbursable lunch and/or breakfast per child per day. Production and participation records must be maintained to demonstrate positive action toward providing one reimbursable lunch and/or breakfast per child per day. Any excess lunches and/or breakfasts that are produced may be served, but shall not be claimed for reimbursement.

REIMBURSEMENT RATES

The CNP office notifies sponsors of the reimbursement rates for the National School Lunch/ (Regular) School Breakfast Programs (NSLP/SBP) as soon as possible after July 1. These reimbursement rates are in effect from July 1 through June 30.

School Lunch Reimbursement Rates

There are two different rates for the school lunch program, a high and low rate. When applications are processed the CNP office will determine whether a sponsor is eligible for the high or low rate.

To be eligible for the higher rate, a sponsor's total lunches served in the second preceding year (two years earlier) must have been 60 percent or more free and reduced-priced lunches. The eligibility for

the high or low rate is determined by the CNP office based on claims submitted during the appropriate year.

Severe Need Breakfast Reimbursement Rates

The Severe Need Breakfast rates are determined after the previous school year's annual financial report is submitted to the CNP office. The sponsor will be notified of their reimbursement rate in January. The Severe Need Breakfast reimbursement rates are in effect from January 1 through December 31.

The *Severe Need Breakfast Eligibility* in Section 9 gives specific details of the criteria for eligibility.

REIMBURSEMENT CLAIMS

Claim Forms

Claim forms are sent to sponsors at the beginning of each program year. It is the responsibility of the sponsor to make sufficient copies of the claim form for use throughout the year.

The following information must be included to process an original claim:

- the claim month
- claim type
- assigned CTD#
- sponsor's name and address
- items 3 through 9 for each meal type claimed
- an authorized representative signature and date

Due Date

Original reimbursement claims (Exhibit A) must be received in the Student Services office by the tenth (10th) of the month following the claim month. A post mark of the tenth (10th) is not a timely claim. Claims may be faxed to (602) 542-3818 or (602) 542-1531. Do not mail a hard copy of the claim if one has been faxed. If the 10th of the month falls on a Saturday, Sunday or state holiday, the claims must be received on the following first working day.

Claims received after the 10th of the month will be processed with the following months' claims. All claims received within 60 calendar days following the claim month will be processed. A claim

received after 60 days may be granted a one-time exception, which is in effect for thirty-six (36) months. No other exceptions may be granted within the thirty-six (36) month period

Combined Claims

At the beginning of the school term, the first two claims may be combined if not more than 10 days of program operation occurred in the first month. At the end of the school term, May and June claims may be combined if not more than 10 days of program operation occurred in June.

June and July claims may not be combined due to the reimbursement rate change in July.

The end of the federal fiscal year claim (September) cannot be combined with the beginning of the next federal fiscal year claim (October).

Revised Claims

A revised claim may be submitted within 60 calendar days following the claiming month. No upward revision will be made after the 60 day deadline without a one-time exception. No exceptions will be granted if another exception (original or revised) was granted within a thirty-six month period. A downward revision may be made at any time.

The following information must be included to process a revised claim:

- the claim month that is being revised
- Claim Type
- assigned CTD#
- sponsor's name and address
- revised items only
- an authorized representative signature and date

CHECKING THE REIMBURSEMENT CLAIM

It is important that claims are checked before submitting to the Department of Education. A reimbursement claim cannot be processed for payment until all errors have been corrected. The financial staff will contact sponsors for corrections. Claims with errors will be returned to sponsors who cannot be reached by phone.

To reduce the number of errors, complete each line of item 10 and compare to items 3 or 4 as indicated.

Attendance Factor

The Child Nutrition Programs office has established the following attendance factors:

1. Public Schools use an attendance factor that is based on information from the 40th Day Report. Child Nutrition Programs will notify Public School sponsors of their attendance factor in July.
2. Private Schools and Bureau of Indian Affairs Schools use a 98% attendance factor.
3. State Schools, Correctional Institutions, and Residential Child Care Institutions use a 99% attendance factor.

If the meal count is higher than the calculation in 10a through 10g, check the following:

1. The accuracy of the monthly meal counts.
2. The accuracy of the number approved for reduced or free.
3. Check to see if there was high attendance during the month. If this is the case, send an explanation with the claim stating the reason for the high attendance.
4. If the established attendance factor is incorrect, contact your specialist for information on how to change the factor.

Reimbursement Computation

Use the Computation Worksheet (Exhibit B) to calculate the expected reimbursement and compare to the actual reimbursement received. Notify Student Services if a discrepancy is found.

REIMBURSEMENT COMPUTATION WORKSHEET**FOR YOUR INFORMATION ONLY. NOT TO BE SUBMITTED TO THE STATE OFFICE.**

Retain worksheet for your files. Numbers and letters originate from the claim form. School Lunch, School Breakfast, and Special Milk sponsors receive the new reimbursement rates in July of each year.

CTD number _____ Claim Month _____ Year _____

NATIONAL SCHOOL LUNCH

3a. _____ x \$ _____ = \$ _____
High or Low Rate

3b. _____ x \$ _____ = \$ _____
High or Low Rate

3c. _____ x \$ _____ = \$ _____
High or Low Rate

\$ _____
Total Lunch Reimbursement

REGULAR BREAKFAST

3a. _____ x _____ Free Rate = \$ _____

3b. _____ x _____ Reduced Rate = \$ _____

3c. _____ x _____ Paid Rate = \$ _____

\$ _____
Total Regular Breakfast Reimbursement

SEVERE NEED BREAKFAST

Severe Need Breakfast sponsors will be paid current USDA rates or their per-meal breakfast cost, whichever is less. Notification of reimbursement rate or per meal cost will be made in January of each year.

3a. _____ x _____ Free Rate = \$ _____

3b. _____ x _____ Reduced Rate = \$ _____

3c. _____ x _____ Paid Rate = \$ _____

\$ _____
Total Severe Need Breakfast Reimbursement

AFTER SCHOOL CARE SNACK PROGRAM

3a. _____ x _____ Free Rate = \$ _____

3b. _____ x _____ Reduced Rate = \$ _____

3c. _____ x _____ Paid Rate = \$ _____

\$ _____
Total After School Snack Program Reimbursement

SPECIAL MILK

3a. _____ x _____ Free Rate = \$ _____

3c. _____ x _____ Paid Rate = \$ _____

\$ _____
Total Special Milk Reimbursement